PLAINTIFF'S EXHIBIT

CASE NO.

EXHIBIT NO. 16

From: Konrad Krill <kkrill@seaportglobal.com>
Sent: Thursday, April 27, 2017 8:05 AM
To: saurigemma@lordabbett.com
Subject: Seaport Global Morning Notes (4/27/17) - ALSN APC APD BA EQT ESV EURN FLIR FRTA FTI FWRD GGG HP HUBG JBT KEX KMT KNX LEA MSA NBR N SN SSW SUP SWFT TILE WLL

Seaport Global Morning Notes - April27,2017

See disclaimer and disclosure at the end of this report and in the linked reports.
Click here for full PDF report.

Energy

- Exploration & Production
  - **Reports:** SGS Energy Daily; E&P Company One-Pagers
  - **Comments:** APC (Tragic Wattenberg incident likely puts the Oil and Gas industry back in Colorado political crosshairs); WLL (Solid beat; Bakken high intensity completions continue to track 1.5 MMboe; Est. change); SN (Est. change); EQT (EPS miss on lower volumes, higher unit costs)
- Oilfield Services & Equipment
  - **Reports:** ESV (Q1 First Look: Cost-driven earnings beat likely has slightly positive implications); FTI (Q1 First Look: Share repurchase and dividend plan likely counterbalance messy earnings report); OII (Q1 First Look: Earnings beat and improving outlook have positive implications); NBR (Q1 First Look: Transitory costs likely pressure stock, but we are buyers on any pullback); NOV (Q1 First Look: EPS beat expectations, but operating segments and orders disappointed); HP (FQ2 First Look: Slight miss despite strong U.S. Land momentum suggests neutral implications); PTEN (Q1 First Look: Slight EPS beat on pressure pumping has positive implications)

Industrials

- Diversified Industrials
  - **Reports:** JBT (Q1 Update: Food equipment orders very strong; Buying opportunity); MSA (Q1 Update: Order activity accelerated into Q2:17, raising PT); KMT (FQ3 Update: The cutting tool recovery is happening, and leverage is above expectations); GGG (Q1 First Look: Revenue and EPS beat)
- Machinery
  - **Reports:** OSK (FQ2 Update: Waiting for an inflection point in Access, but EPS continues to grow in the meantime)
- Flow Control
  - **Reports:** FRTA (Initiating coverage with Buy rating)
- Aerospace & Defense
  - **Reports:** FLIR (Q1 Update: In-line EPS, top-line timing issues to reverse in Q2:17, raising PT); BA (Q1 Update: Off to strong cash flow start to the year
- Building Products & Furnishings
  - **Reports:** OC (Q1 Update: Estimates move higher; upside across all segments); Industrials Insights
  - **Comments:** TILE (Q1 First Look)

Transportation

- Automotive
  - **Reports:** LEA (Q1 Update: Beat and raise – again); SUP (Q1 Update: Momentum should begin to accelerate but near-term questions remain)
- Trucks & Suppliers
  - **Reports:** ALSN (Q1 First Look: Surprisingly strong Q1 beat; gross margins were 50%; raises 2017 guidance)
- Railroads
  - **Reports:** NSC (Q1 Update: Solid start to year, but will the drum beat get louder?)
- Airfreight & Logistics
  - **Reports:** HUBG (Q1 Update: In line with pre-release; signs that truckload pricing is moving higher, when will intermodal follow?); FWRD (Q1 Update: Solid Q1 driven by core airport-to-airport volume; Q2:17 outlook ok)
- Maritime
  - **Reports:** EURN (Q1 Update: Increasing EPS estimates on firm Q2:17 VLCC bookings); KEX (Q1 Update: The good [diesel], the ok [inland] and the ugly [coastal]); SSW (Q1 First Look: Making the best of a difficult environment)
- Trucking
  - **Reports:** KNX (Q1 Update: Q1 in line with recent guidance; big opportunities on horizon); SWFT (Q1 Update: Adjusting model after a tough Q1, but April is moving up and so are our estimates)

Chemicals

- Specialty Chemicals and Coatings
  - **Reports:** APD (FQ2 First Look: EPS, sales beat helped by Jazan; guidance maintained); PX (Q1 First Look: EPS, sales beat; guidance raised at low end)

Macro

- Macro Strategies
  - **Reports:** Weekly EIA Scorecard: Refiners and Imports on Steroids Last Week

Energy

SGS Energy Daily (04-27-17) – E&P One-Pagers, APC, EQT, SN, WLL, ESV, FTI, HP, NBR, NOV, OII

TRADING DESK COMMENTARY

- **What's Up:** S&P Futures + 6 bps to 2384 and continue to rife the upper Bollinger band ~2385. WTI Crude -1.1% to 49.07 pressured by a couple of Bearish headlines. Singapore inventories gain 1.2% WoW to 50.3MM, and shale output will expand by 2.3MM b/d by 2022 out of the IEA. Peak oil demand is not in sight for at least a few decades as consumption will continue with healthy growth for the foreseeable future out of the Saudi Aramco CEO Amin Nasser. Bullish headlines from the CEO of Total (TOT; trading up 0.50 on a sizable beat) that usage is strong and noted there'll be a lack of supply by 2020; also said looking to Buy assets but Permian Area is costly. OPEC Head Barkindo also out talking up OPEC/Non-OPEC compliance and of stockpile overhang decreasing. Natty -76 bps to 3.25 ahead of the 10:30am EIA Nat Gas count, street is looking for a build of 72 Bcf.
- **The E&I Docket:**
  - Numbers before the bell: EQT PTEN HP NOV CRR CPG MPC MPLX CVRR CVI ICD AEP SCG AAL AIT AOS AVT BGSF BMS BWA CBZ CTS DLX EME F FCN FELE FWRD GLOP GNRC HEES JCI LKQ LLL LUV MINI MVIS ODFL PATK PH PRLB ROG RTN STNG THRM TRS UNP UPS USG VC WCC WEX
  - Numbers after the bell: NR FE ATR BGSF BOOM CSL ECOL FLEX FTV INT MWA NATI RSG SKYW SSD STRT TMST TRMB VVI ULH

Exhibit 521

- Annual General Meetings: SU EOG BHI SPWR SCG NRG CNP AGCO ARC ASTE BWEN CCK CGNX CTB DAN DLPH GRC III LMT MATX MINI MYRG SAIA TSS ULH USLM WAGE
- 8:30 AM: March Prelim. Durable Goods, Cap Goods Orders
- 10:30 AM: EIA natgas storage change
- 11:00 AM: April Kansas City Fed Mfg Activity

TOPICAL

• **Weekly EIA Scorecard:** A mixed bag in the EIA weekly stats. Refiner utilization was estimated by the EIA at 94.1% versus the three-year average of 90.6% and compared to 88.1% a year ago (p. 26). Imports were on steroids last week, too, with an EIA-estimated 8.91 MMbpd of gross crude oil imports, +18% on a YoY basis. Gross inputs were big, at 18.18 MMbpd, but domestic consumption remained subdued at only 19.11 MMbpd. The big refiner "push" helped to reduce crude oil stocks by 3.64 MMbbls, but total product stocks were knocked out of the park +10.26 MMbbls week-over-week. Refiners are perhaps seeing near-term export demand, in addition to some hints of highway fuel demand, in our view. If not, then everybody get ready to ask, "what?" **Full Report.**

E&P

• **E&P Company One-Pagers – Back by popular demand and in time for the Q1 earnings rush.** In preparation for Q1:17 earnings, we have updated our one-page overviews for 49 companies under coverage. What is included in this single page of goodness, you ask? For starters, a Q1 earnings preview bullet and a review of pertinent stuff from the Q4:16 earnings & conference call. Additionally, the report lays out our detailed NAV valuation, five-year outlook, a customized comp sheet, and provides our current investment thesis on the name. Act now and save the **full report** to your desktop before supplies run out!

• **APC press release – Tragic Wattenberg incident likely puts the Oil and Gas industry back in Colorado political crosshairs.** APC issued a statement yesterday afternoon regarding a Firestone, CO home explosion that resulted in the deaths of two men. While investigations are still ongoing, APC operates an older vertical well only 200 ft. away from the home, which is suspected to be linked to the explosion. APC was not the original operator of the well – it came under APC's control through a prior acquisition. In response to the incident, APC proactively shut-in 3,000 vertical wells, representing 13,000 boepd or 2% of its current production while it tests/inspects the entirety of its existing infrastructure in place. In our opinion, this tragic accident will likely serve as a rallying cry for those opposed to oil and gas development/fracking in the state. Recall that in 2014 and 2016 – both election years – the industry had to contend with ballet initiatives aimed at severely limiting oil and gas development. While the industry prevailed in both cases, last week's incident may have the potential to alter public perception, or at least put that thought in minds of investors. Those with the most exposure beside APC: BBG, BCEI, PDCE, NBL, SRCI, WLL, XOG.

• **EQT Q1 first look – Financial release highlights EPS miss on lower volumes, higher unit costs ($63.89; Neutral; $71 PT):** EPS of 43c missed SGS/Street estimates by 16%/9% as Q1 production of 2,110 MMcfepd came in at the low-end of guidance and 1%/3% below SGS/Street estimates; additionally, unit costs came in 14% higher than expected (largely driven by higher GCP&T). Q2 production is guided flat QoQ at 2,115 MMcfepd, which comes in 6%/7% below SGS/Street expectations; however, FY17 volume growth was maintained at ~12% YoY. Additionally, Mountain Valley Pipeline (2.0 Bcfpd of commitments, with 1.3 Bcfpd by EQT; expected to result in a ~10c/Mcfe premium to NYMEX) expects to receive the final EIS on 6/23 and continues to target a late 2018 in-service date. This was largely a financial release with ops commentary expected on the conference call at 9:30 AM central – we'll be listening for color on progress in the Deep Utica, increasing Marcellus lateral lengths (largely via acreage additions) and enhanced completions (testing 2,200+ lbs/ft. vs. 1,550 lbs/ft. in 2016).

• **WLL Q1 first look – Solid beat; Bakken high intensity completions continue to track 1.5 MMboe ($8.07; Neutral; $10 PT):** Strong Q1 financials across the board as $225MM EBITDA beat SGS/Street by 13%/11%, driven by solid oil production (+1% vs. both SGS/Street), better oil realizations (+3%), strong NGL realizations (+36%) and 4% lower cash operating costs. Total production of 117 Mboepd came in at the high end of guidance and +2%/+1% vs. SGS/Street. Capex of $186MM was 6% below consensus (in line with SGS). Q2 production guidance of 115 Mboepd falls 3% shy of SGS/Street expectations, however, FY17 guidance is revised modestly higher to 124-127 Mboepd (vs. 123-126 Mboepd previously) while WLL's $1.1B budget remains intact. In addition, WLL took down FY17 guidance for cash operating costs across the board (LOE -4%, G&A -5%, production taxes -2%). In the Bakken, WLL's three-well Loomer Pad in McKenzie County featured a high-intensity completion design (8.9MM lbs. sand) and is tracking a 1.5 MMboe EUR/well. In our opinion, these results should increase investor confidence as it pertains to capital efficiency improvements from high intensity completions across the entire Williston Basin (positive for Bakken-levered E&Ps OAS, CLR, WPX, MRO, NFX and SM). We are updating our **estimates** to reflect Q1 actuals and other 2017 commentary.

• **SN update ($7.96; Buy; $15 PT):** We are updating our **estimates** to reflect yesterday's Q1 production preannouncement, which moves our Q1 EBITDA estimate down to $56.2MM from $58.9MM previously.

OFS

• **ESV Q1 first look – Cost-driven earnings beat likely has slightly positive implications ($8.49; Sell; $7.50 PT):** ESV delivered a better-than-expected quarter that we believe has slightly positive implications for the stock. Adjusted EPS from continuing operations of ($0.04) exceeded our ($0.12) estimate and the ($0.10) consensus estimate. This was primarily another cost-driven beat for ESV, paced by contract drilling expense of $278MM, below our $296MM estimate (+$0.06/share). Revenues of $471MM were slightly above our $467MM estimate (+$0.02/share) and the $468MM consensus estimate, helped by 99% operational utilization across the rig fleet. **Full Report.**

• **FTI Q1 first look – Share repurchase and dividend plan likely counterbalance messy earnings report ($32.36; Buy; $40 PT):** FTI's results were messy this quarter, which is not unexpected given that this is its first full earnings report since the closing of its transformational merger on January 16. We believe the results will have mixed implications, and investors will likely look past the numbers to focus on the outlook going forward even more so than usual. Importantly, the company announced an impressive $500MM share repurchase program (by the end of 2018) and planned dividend initiation (following Q3:17 results), both of which we expect will be well-received. However, the adjusted EBITDA of $684MM in the headline includes a $307MM foreign exchange gain. Without the gain, adjusted EBITDA of $378MM would have fallen below our $404MM estimate and the $391MM consensus estimate. Revenues of $3,388MM were slightly below our $3,486MM estimate and $3,668MM consensus estimate. Orders were also below our expectations, including $666MM (vs. our $1,050MM estimate) in Subsea, $682MM (vs. our $1,000MM estimate) in Onshore/Offshore, and $242MM (vs. our $350MM estimate) in Surface Technologies. Going segment by segment, Subsea revenues declined by 42% from the prior-year quarter on a pro-forma basis to $1,377MM, and operating profit of $54MM came in below our $188MM estimate. Onshore/Offshore revenues declined by 19% from the prior-year quarter on a pro-forma basis to $1,764MM, and operating profit of $140MM exceeded our $76MM estimate. Surface Technologies revenues fell by 29% from the prior-year quarter on a pro-forma basis, and operating profit of ($19MM) was below our $13MM estimate. **Full Report.**

• **HP FQ2 first look – Slight miss despite strong U.S. Land momentum suggests neutral implications ($65.21; Neutral; $65 PT):** HP missed slightly but is guiding to a better-than-expected 25% increase in U.S. Land revenue days, and we believe the net implications are neutral. Adjusted EPS of ($0.47) was slightly below our ($0.44) estimate and the ($0.41) consensus estimate. Revenues grew by 10% sequentially to $405MM, above our $375MM estimate and the $390MM consensus estimate. Although reported gross profits were better than expected (+$0.04/share), the EPS miss was driven by adjusting for several non-recurring items such as gains on the sale of used drilling equipment and early termination compensation. Commentary highlighted U.S. Land's strong positioning, having gained share from 15% of the market in 2014 (and from 17% since the beginning of 2017) to 19% currently. Spot pricing in U.S. Land increased by 9% over the last few months, but HP's average dayrate slipped by $1.7K/day to $22.2K/day, in line with our $22.2K/day estimate. Daily opex increased by $0.5K/day to $15.6K/day, in line with our $15.5K/day estimate. Results in Offshore and International Land were in line with our expectations. The guidance for FQ2:17 suggested a better than expected U.S. Land result driven by +25% revenue days to ~16,500 (vs. our ~15,200 estimate), average dayrate of $21.0K/day (vs. our ~$22.0K/day estimate), and average opex of $14.3K/day (vs. our ~$14.9K/day estimate). The net impact of next quarter's guidance for Offshore and International Land was roughly in line with expectations. **Full Report.**

• **OII Q1 first look – Earnings beat and improving outlook have positive implications ($26.32; Neutral; $25 PT):** We believe the earnings beat in Q1:17 and improving operating income outlook in Q2:17 will have positive implications. Adjusted EPS of ($0.04) was above our ($0.08) estimate and the ($0.10) consensus estimate. The EPS beat was driven by Subsea Products (+$0.04/share), Unallocated Expenses (+$0.03/share), and Advanced Technologies (+$0.02/share) partially offset by shortfalls in Subsea Projects (-$0.04/share) and ROVs (-$0.01/share). Notably, Subsea Products beat expectations on cost reduction measures improving margins, and revenues were flat due to increased umbilical throughput offset by lower completion activities and production enhancement work. Also, Subsea Projects fell short of our model due to reduced GOM demand for deepwater vessel and diving services, and ROVs missed with fleet utilization slipping from 50% to 46% vs. our 50% estimate. The company guided Q2:17 operating income to be sequentially flat in Subsea Products and better in all other segments. This suggests that the overall operating income will exceed the ($0.2MM) reported in Q1:17, which implies a better amount than our ($1.2MM) estimate in Q2:17. **Full Report.**

• **NBR Q1 first look – Transitory costs likely pressure stock, but we are buyers on any pullback ($11.74; Buy; $18 PT):** NBR incurred unusually high costs that the company had telegraphed by revising guidance in a previous investor presentation, but the ramifications on Q1:17 were more severe than we had interpreted. While the stock likely trades down on the print as a result, we believe the adverse consequences will prove fleeting and would buy shares on that dip. Internationally, the

unexpected inspection and recertification work mandated by Saudi Aramco in the quarter appears behind it, and a full quarter's contribution from recent rig additions are forthcoming in Colombia, Mexico, Argentina, and Kuwait. The Lower 48 (+18 rigs) gained market share in the quarter and should see the start-up cost issues subside throughout the year. For the quarter, however, results were disappointing. Adjusted EPS of ($0.49) was below our ($0.36) estimate and the ($0.36) consensus estimate. Adjusted EBITDA of $100MM was below our $138MM estimate and the $136MM consensus estimate. International EBITDA of $109MM missed our $121MM estimate (-$0.04/share), impacted by accelerated inspection and recertification of rigs in Saudi Arabia in the first quarter instead of over the full year, and the revenue downtime and recertification costs impacted margins by $17MM. U.S. Drilling EBITDA of $27MM fell below our $43MM estimate (-$0.07/share) due primarily to reactivation costs incurred during the quarter. **Full Report.**

• **NOV Q1 first look – EPS beat expectations, but operating segments and orders disappointed ($36.15; Sell; $34 PT):** NOV reported an EPS beat by $0.03/share although we view the implications as neutral because (1) eliminations and corporate cost items were the primary driver (+$0.05/share) and (2) orders in both Rig Systems and C&PS were below our expectations. Adjusted EPS of ($0.17) exceeded our ($0.20) estimate and the ($0.21) consensus estimate. The EPS beat was driven by eliminations and corporate costs (+$0.05/share) and Wellbore Technologies (+$0.03/share) partially offset by Rig Systems (-$0.03/share), C&PS (-$0.02/share), and Rig Aftermarket (-$0.01/share). The company generated 57% of revenues from land (for a second consecutive quarter with land surpassing offshore), and booked 75K HHP of fracturing equipment (150K HHP total in 2017) and 30 U.S. well servicing rigs. However, orders disappointed relative to our forecast nonetheless. Rig Systems orders ticked up by 3% to $118MM (0.41x book-to-bill) but were below our +13% expectation to $130MM (0.52x book-to-bill). C&PS orders slipped by 13% to $323MM (0.90x book-to-bill) and were below our +10% expectation to $407MM (1.13x book-to-bill). **Full Report.**

• **PTEN first look – Slight EPS beat on pressure pumping has positive implications ($23.00; Buy; $36 PT):** This was a slightly better than expected quarter driven by robust pressure pumping results. On a standalone basis, PTEN reported an adjusted EPS of ($0.42), ahead of our ($0.44) estimate. Revenues increased by 24% to $305MM, above our $298MM estimate and the $296MM consensus estimate. Contract Drilling results were in line with our expectations, and Pressure Pumping was better than expected (+$0.04/share). Contract Drilling revenues increased by 17%, in line with our forecast. The average U.S. rig count increasing by 22% to 81 rigs, slightly below our 82 estimate, but the company is forecasting 96 rigs in April, above our average of 94 for next quarter. Pressure pumping revenues increased by 34% to $141MM, above our $135MM estimate, with margins increasing from 5.3% to 15.7%, above our 12.0% estimate. PTEN has reactivated four spreads since mid-December and expects to continued reactivating throughout the year. **Full Report.**

Report Link: **2017-4-27 SGS Energy Daily**

Industrials

Industrials Insights (4-27-17) - ALSN, BA, FLIR, FRTA, GGG, HUBG, JBT, KEX, KMT, KNX, LEA, MSA, NSC, OC, OSK, SSW, TILE and more

In this release of our Industrials Insights, we provide new data points for **FRTA** (Initiating coverage with Buy rating), **ALSN** (Q1 Update: Surprisingly strong Q1 beat; gross margins were 50%; raises 2017 guidance), **GGG** (Q1 First Look: Revenue and EPS beat), **SSW** (Q1 First Look: Making the best of a difficult environment), **TILE** (Q1 First Look), **BA** (Q1 Update: Off to strong cash flow start to the year), **FLIR** (Q1 Update: In-line EPS, top-line timing issues to reverse in Q2:17, raising PT), **HUBG** (Q1 Update: In line with pre-release; signs that truckload pricing is moving higher, when will intermodal follow?) **JBT** (Q1 Update: Food equipment orders very strong; Buying opportunity), **KEX** (Q1 Update: The good (diesel), the ok (inland) and the ugly (coastal)), **KMT** (FQ3 Update: The cutting tool recovery is happening, and leverage is above expectations), **KNX** (Q1 Update: Q1 in line with recent guidance; big opportunities on horizon), **LEA** (Q1 Update: Beat and raise – again), **MSA** (Q1 Update: Order activity accelerated into Q2:17; raising PT), **NSC** (Q1 Update: Solid start to year, but will the drum beat get louder?), **OC** (Q1 Update: Estimates move higher; upside across all segments) and **OSK** (FQ2 Update: Waiting for an inflection point in Access, but EPS continues to grow in the meantime). We present our calendar for the remainder of the week, which includes earnings previews for **CNHI, TRS, FELE, AGCO** and **CIR**. We have also provided links to our recently published research reports.

Initiation

• **FRTA: Initiating coverage with Buy rating.** We are initiating coverage of Forterra, Inc. (FRTA) with a Buy rating and $23 price target. FRTA is a water infrastructure pure-play with municipal and highway infrastructure organic growth tailwinds and self-help initiatives, which we expect to drive 400 bps of margin improvement through 2019, with the opportunity to consolidate mix-accretive products within Drainage to further top-line growth. In the near term, the company set expectations for a stagnant organic growth quarter as challenging comps and weather have pushed projects out. With easing comps and several projects ramping in the second quarter, we are cautiously optimistic that FRTA can achieve mid-single-digit growth for the full-year. Our $23 price target is based on a blend of EV/EBITDA, FCF and P/E multiples, discounted versus its peer group, which could have upside as the company de-levers the balance sheet and demonstrates a track record of consistent earnings performance. Click **here** for the full report.

Earnings First Looks

• **GGG: Q1 First Look: Revenue and EPS beat.** GGG's Q1:17 sales of $341MM was above our estimate of $310MM (consensus $315MM). EPS of $1.05 was above our estimate of $0.73 (consensus $0.76). Q1:17 sales growth of 12% YoY was above management's prior expectations of mid-single-digit growth due to the industrial recovery. The contractor segment has the highest revenue upside with 22% YoY growth. GGG's operating leverage of 70% was significantly above the guidance of 35%-40% operating leverage due to favorable pricing and volume. The 2017 sales growth guidance was increased to mid-single digits (from low-single digits). On the conference call, we are interested in the details behind the strong Contractor sales growth. We are interested in understanding the cadence of the sales trends and why GGG management expects the revenue growth rate to decelerate during the rest of the year. Click **here** for the full report.

• **TILE: Interface's Q1:17 earnings report (TILE; Buy; Conference Call 4/27/2017)**

- EPS was $0.21; SGS: $0.21; consensus: $0.23
- Revenue was $221MM; SGS $219MM; consensus: $223MM
- *Top line just misses, orders a little choppy but full year outlook intact.* Much like other reporting results in the Commercial Interiors space over the last few weeks, we thought top-line expectations coming into Interface's earnings release could be somewhat at risk. However, management reiterated its full-year expectation: 3%-4% top-line growth, and orders are up ~3% YTD (in constant currency). The reduced pace of order growth (compared to the ~5% level seen in the first seven weeks of '17) is consistent with the recent commentary we heard leading up to yesterday's earnings release. For the balance of '17, the LVT product launch and easier comps (on a multi-year basis) should aid in the optics of the top line growth for Interface.
- *Margin guidance remains consistent.* Management reiterated full-year gross margin expectations between 38%-38.5% (vs. our and consensus' estimate of 38.4%) and SG&A spending between $260MM-$265MM (vs. our $261MM and consensus of $264MM). The FLOR stores continued to positively impact margins in Q1:17 (GM and SG&A both well above FY:17 targeted levels), as did benefits from productivity gains and deflation. In future quarters, deflation will flip to inflation, while the elimination of the FLOR stores will pressure gross margin, while also reducing SG&A
- *$100MM share repurchase program announced.* With the Q1 results, the company announced the board's approval of a new $100MM share repurchase program, demonstrating "their support of our long-term strategy and belief in our growth prospects." This would represent ~8% of shares outstanding. With net-debt-to-EBITDA approaching just 1x, the balance sheet remains in good shape, in our view.

Earnings Updates

• **BA: Q1 Update: Off to strong cash flow start to the year.** BA delivered a $0.10 EPS beat vs. consensus, as well as increased FY17 EPS guidance by a similar amount due to favorable tax items. Q1:17 was anticipated to be BA's weakest of the year given timing of production slots with the next-generation 737-MAX ramping. However, cash generation was stronger than expected at $2.1B vs. guidance for breakeven. Full-year cash flow guidance was kept intact as the quarter benefited from timing of receipts; however, achieving the $10.75 billion cash flow target is off to a strong start. Ex-tanker program costs, Boeing Commercial Aircraft (BCA) margins were 9.3% vs. 7.2% YoY. Full-year BCA margins guidance was maintained at 9.5%-10.0%, with continued expectations to reach mid-teens as the cycle plays out. Further, BCA had margin improvement across all aircraft platforms. Boeing Defense, Space, & Security (BDS) revenue of $6.5B was below the Street estimate of $6.9B; however, FY17 BDS guidance was kept intact. Further, BA has upside bias to defense expectations given budgets and a number of program wins. Bears continue to focus on BA's wide-body production outlook; however, BA stated it is not looking at any scenarios where 787 production drops below 12/month, and that 777 production is 90% sold out in 2018/2019. Lastly, 787 deferred production gains improved +47% sequentially as a key driver of cash. Net/net, concerns over BDS timing issues were outweighed by strong cash generation, 787 deferred improvement and margin expansion across all BCA aircraft, in our view. BA continues to be a cash flow story, and Q1:17 results provide a strong basis for the year. We maintain our Buy rating and $200 price target. Click **here** for the full report.

• **FLIR: Q1 Update: In-line EPS, top-line timing issues to reverse in Q2:17, raising PT.** Q1:17 adj. EPS of $0.36 was in line with the Street. However, revenue slightly missed expectations by growing 7% YoY, with organic growth declining 2% YoY. The decline was driven by Surveillance, and the retail channel of the Security segment.

Partially offsetting these declines was the OEM and Emerging Markets segment growing 77% YoY, benefiting from the Point Grey acquisition, and growing 29% YoY organically. FLIR expects weakness in Surveillance to be temporary as timing-related issues impacted the quarter. Offsetting the soft revenues was 70 bps of margin expansion (17.1% operating margin). Cash flow generation was strong, at $75MM (175% of net income) driven by improvement in working capital. Further, backlogs improved 3% sequentially, with bookings to be stronger in Q2:17. FLIR expects to see an uptick in organic growth in Q2:17 and 2H:17 after introducing new products this year across several business lines. FLIR reiterated its FY17 guidance for revenue of $1.78B to $1.83B (Street $1.8B) and EPS of $1.81 to $1.91 (Street $1.83). We maintain our Buy rating and have raised our price target to $40 from $38. Click here for the full report.

• **JBT: Q1 Update: Food equipment orders very strong; Buying opportunity.** JBT's 2017 outlook improved due to strong FoodTech orders growth of 42% (~27-30% organic order growth). Due to the strong FoodTech order activity, we are increasing our 2017 and 2018 EPS estimates to $3.10 (from $3.01) and $3.63 (from $3.55), respectively. We maintain our Buy rating and $100 price target. Click here for the full report.

• **KMT: FQ3 Update: The cutting tool recovery is happening, and leverage is above expectations.** KMT's cutting tool markets are recovering. Organic revenue growth of 5% was up sequentially from 2% in FQ2:16 (December). KMT's cost cutting is resulting in higher-than-expected operating leverage. We believe management's FQ4:17 (June) guidance is conservative due to management's assumptions for organic growth and operating margins. Additionally, KMT is using a simplification strategy that reminds us of ITW's 80/20 strategy, which could drive growth and margin improvement beyond our 2018-2019 expectations. We are increasing our 2017-2018 EPS estimates to $1.60 (from $1.43) and $2.37 (from $2.23), respectively. Our 2019 EPS estimate is $3.23. We maintain our price target of $50 which equates to a FY2019 P/E of 15.5x. Click here for the full report.

• **MSA: Q1 Update: Order activity accelerated into Q2:17; raising PT.** MSA's end markets are in an early-stage recovery trend. Some product category orders are recovering at a double-digit rate, which suggest that Q2:17 organic sales growth is accelerating. New products such as the 5000 series in FGFD and the continued success of the SCBA G1 unit are driving sales growth. We believe that MSA's accelerating growth will continue into 2H:17. We are increasing our 2017 and 2018 EPS to $3.30 (from $3.12) and $3.59 ($3.55), respectively. We maintain our Neutral rating due MSA's high valuation. We are increasing our price target to $80 (from $73), which equates to a 2018 EV/EBITDA multiple of 13.2x and a P/E multiple of 27.3x. Click here for the full report.

• **OC: Q1 Update: Estimates move higher; upside across all segments.** Owens Corning reported an ~40% EPS beat in Q1 driven primarily by upside in Roofing. However, the stock declined ~2% (vs. a flattish S&P), which we believe was in response to management's largely unchanged full-year outlook (combined with the stock's recent strength). Nonetheless, our FY17 and FY18 EPS estimates move higher to $4.25 and $4.70 (from $3.95 and $4.40), respectively. And, importantly, we see upside on multiple fronts. Yet, the stock's multiple remains at a discount to both Building Product peers and the company's own long-term average. Our new $68 price target (up from $63) assumes the multiple discount persists; however, we believe this gap could close as Insulation fundamentals improve. We reiterate our Buy rating.Click here for the full report.

• **OSK: FQ2 Update: Waiting for an inflection point in Access, but EPS continues to grow in the meantime.** We are maintaining our Buy rating and price target of $76 on OSK following fiscal Q2:17 results. EPS of $0.76 beat our estimate of $0.75 and consensus of $0.75. OSK raised its outlook, mainly on more optimism regarding the Access Equipment segment; the new EPS guidance is $3.20-$3.50 (from $3.00-$3.40). The stock was down ~6% for the day, as some investors may have been disappointed by the modest amount of increased optimism or the fact that the midpoint of guidance was slightly below expectations (~1% below consensus). In our view, the pullback in the shares could represent an opportunity for long-term investors, given that OSK's new guidance suggests that double-digit earnings growth is possible in FY 2017 despite Access Equipment declining for the third straight year. We believe that once an inflection point becomes apparent, investors will react favorably (along with earnings, as incremental margins could exceed 30% for the segment). OSK reiterated its confidence on its long-term Defense revenue and margin outlook, and new-contract awards remain a "free option" for investors in the shares. OSK remains the highest-quality company in the sector, in our view, with more-reliable cash flows amid a less-cyclical earnings stream. While the valuation could be seen as elevated given the stock's strong appreciation over the last 12-15 months, OSK actually trades at a discount to peers and is likely to hold up better should we see a broader-market pullback and flight to safety. When combined with the potential for positive catalysts ahead, we continue to view the stock favorably. Click here for the full report.

Report Link: **2017-4-27 Industrials Insights (4-27-17) - ALSN, BA, FLIR, FRTA, GGG, HUBG, JBT, KEX, KMT, KNX, LEA, MSA, NSC, OC, OSK, SSW, TILE and more**

Transportation

Allison Transmission Holdings, Inc. (NYSE: ALSN; $37.47; Neutral; NA PT) Q1 First Look: Surprisingly strong Q1 beat; gross margins were 50%; raises 2017 guidance
ALSN reported a surprisingly impressive Q1:17 beat driven by a better than expected top line and shockingly strong margins. The top line increased 8% YoY, well above guidance of approximately flat YoY. The gross margin was 50.3% vs. 46.5% a year ago, while adjusted EBITDA grew 18.4% YoY to $192MM. ALSN raised 2017 guidance and indicated Q2:17 net sales are expected to be up sequentially vs. Q1:17. Also, ALSN now expects 2017 adjusted FCF of $415MM-$455MM (was $345MM-$385MM). Overall, an extremely strong quarter. Our estimates are under review pending the 8 a.m. ET call on 4/27 at 877-407-9039.
Report Link: **2017-4-27 ALSN Flash Note**

Seaspan Corporation (NYSE: SSW; $6.56; Neutral; NA PT) Q1 First Look: Making the best of a difficult environment
Seaspan (SSW) reported Q1:17 normalized EPS of $0.15 vs. $0.33, in line with consensus and above our $0.09 estimate. Reported GAAP EPS was $0.22 vs. ($0.06). Top-line revenue of $201.3MM was slightly below consensus of $204.2MM, but close to our $201.7MM estimate. Vessel operating expenses declined 4.2% to $45.6MM and was the largest variance driving the difference between modeled vs. reported EPS as this expense was $2.4MM below the low end of guidance.
Report Link: **2017-4-27 SSW Flash Note**

Euronav NV (NYSE: EURN; $7.90; Buy; $13.00 PT) Q1 Update: Increasing EPS estimates on firm Q2:17 VLCC bookings
EURN reported Q1:17 EPS of $0.22, ahead of our $0.18 estimate, primarily due to slightly higher rates and lower operating costs. During Q1:17 VLCC spot rates averaged $40,528/day compared to our estimate of $39,990/day. Furthermore, EURN announced that 42% of available Q2:17 VLCC days have been booked at $32,000/day, well ahead of our estimate of $20,000/day. Based on this firm Q2 guidance we are increasing our 2017 EPS to $0.02 from ($0.10). We believe investor sentiment is likely to change over the next 6-12 months, as a result we continue to like EURN and maintain our Buy rating and $13 PT.
Report Link: **2017-4-27 EURN Company Update**

Forward Air Corp. (NASDAQ: FWRD; $50.12; Neutral; NA PT) Q1 Update: Solid Q1 driven by core airport-to-airport volume; Q2:17 outlook ok
Forward Air (FWRD) reported Q1:17 EPS of $0.47 vs. $0.43, above the guidance range of $0.38-$0.42 (consensus was $0.41; our estimate was $0.40). Upside in the quarter was driven by the core expedited LTL operations (core airport-to-airport business), which showed better sequential operating efficiency from Q4 than it had in prior years, along with a strong end to March. Intermodal's top line also outpaced consensus expectations as the Triumph acquisition integration appears to be moving along well (the recent Atlantic acquisition providing geographic expansion should be accretive in Q4). A guidance range of $0.55-$0.59 was given for Q2:17 with prior consensus at $0.58. We are maintaining our Neutral rating for now until we have more visibility into freight volumes.
Report Link: **2017-4-27 FWRD Company Update**

Hub Group Inc. (NASDAQ: HUBG; $40.15; Buy; $50.00 PT) Q1 Update: In line with pre-release; signs that truckload pricing is moving higher, when will intermodal follow?
Hub Group reported Q1:17 EPS of $0.31, in line with the preannounced range of $0.30-$0.32 on April 10. Management also reiterated 2017 EPS guidance of $1.60-$1.80. Weak intermodal pricing persists, stemming from extremely competitive pricing, particularly out of California, as well as a sloppy truckload environment (IM pricing for 2017 is now likely to turn negative). However, there are signs that TL pricing is beginning to move higher in April (public carrier comments confirm this as well as our channel checks with shippers). Our analysis indicates that intermodal pricing is about 80% correlated with truckload pricing and while there is a lag (usually 3-6 months) before IM pricing starts to move, we think it may move quickly with the potential tightening of TL capacity on the horizon. Higher fuel prices will also benefit intermodal. We reiterate our Buy rating and price target of $50.
Report Link: **2017-4-27 HUBG Company Update**

Kirby Corporation (NYSE: KEX; $72.40; Neutral; NA PT) Q1 Update: The good (diesel), the ok (inland) and the ugly (coastal)
Q1:17 results for Kirby played out like we thought, with a much improved performance from the diesel engine services segment led by the remanufacturing of pressure pumping units and transmission overhauls, a slight improvement in the inland barge market, but further deterioration in the coastal market. Management maintained full-year 2017 EPS guidance of $1.70-$2.20. We maintain our Neutral rating as the coastal market downturn may last into 2018 and the valuation seems a bit stretched to us (based on our 2018 estimates, a P/E of 32.6x and EV/EBITDA of 10.4x). However, a catalyst we will be looking for is potential M&A.
Report Link: **2017-4-27 KEX Company Update**

Knight Transportation Inc. (NYSE: KNX; $34.75; Buy; $42.00 PT) Q1 Update: Q1 in line with recent guidance; big opportunities on horizon
KNX reported Q1:17 EPS of $0.18, which was above our $0.16 estimate and at the high end of guidance of $0.16-$0.18. Obviously Q1:17 was extremely challenging for all carriers. KNX described Jan. as one of the worst months ever, but made adjustments in Feb. and March to lower costs. April demand has been positive, but there is still

more to do to get back to an "acceptable" OR (i.e., low 80%). In a great environment, KNX can run in the high 70% OR range. Overall, KNX is more tied to the non-contractual market, which is arguably improving, and rates have been down for two years in a row, and in Q1 KNX didn't execute on costs, but is working to fix that and lower its cost per mile. The KNX-SWFT merger is expected to close in Q3:17. Our 2017E goes to $1.01 (from $1.00), and our 2018E-2019E remain unchanged. We reiterate our Buy, $42 PT.
Report Link: **2017-4-27 KNX Company Update**

Lear Corp. (NYSE: LEA; $141.05; Neutral; NA PT) Q1 Update: Beat and raise – again
Lear reported better-than-expected earnings for the first quarter of 2017. Earnings totaled $4.27 per share (excluding unusual items) compared with earnings of $3.41 per share in the 2016 period and our estimate of $3.75 per share; a lower tax accrual and share count accounted for about 20% of the beat but the primary driver was performance. The combination of higher industry volume, a favorable mix, new business, cost performance and a declining share count have contributed to produce the record results. We increased our 2017 estimate to $16.00 per share, up from $15.40 per share, to reflect stronger-than-expected first-quarter earnings and we increased our 2018 assumption to $16.65 per share, up from $16.50 per share. However, at current trading levels we believe Lear (LEA) is fairly valued and rate the stock Neutral.
Report Link: **2017-4-26 LEA Company Update**

Norfolk Southern Corp. (NYSE: NSC; $117.82; Neutral; NA PT) Q1 Update: Solid start to year, but will the drum beat get louder?
Norfolk Southern started the year off strong, posting a solid beat even when adjusted for a favorable tax rate. While its long-term OR and EPS guidance didn't change, NSC expects an incremental $100MM in productivity improvement in 2017. With Hunter Harrison now in place at CSX (**CSX**) and likely to guide to a long-term OR at or below 60%, the question will be why can't NSC take the same steps to get there too. We expect that drum beat to get louder. Could that incent an activist? Is there someone else out there who can do what Harrison does? Is management capable of accelerating the process (as it is now incented)? These are all valid questions, particularly with CSX valued at 22.3x 2017 and 18.0x estimates versus NSC at 18.6x and 17.1x, respectively. We reiterate our Neutral rating.
Report Link: **2017-4-27 NSC Company Update**

Swift Transportation Company (NYSE: SWFT; $24.88; Buy; $27.00 PT) Q1 Update: Adjusting model after a tough Q1, but April is moving up and so are our ests
SWFT's Q1:17 adjusted EPS of $0.07 was below prior guidance issued 4/10/17 of $0.11-$0.12 (consensus was $0.12), due to $0.06 of added legal reserves due to a proposed settlement for a previously disclosed legal case in Refrigerated. SWFT reaffirmed Q2:17 adjusted EPS guidance of $0.18-$0.23 (and GAAP EPS guidance of $0.16-$0.21), and that April volumes have progressed through the month. Importantly, SWFT indicated that the KNX-SWFT merger is expected to close during Q3:17. Our Q2:17 EPS estimate goes to $0.19 (from $0.18), our 2017E goes to $0.88 (from $0.85), our 2018E goes to $1.30 (from $1.25), and our 2019E goes to $1.40 (from $1.35). We reiterate our Buy rating and $27 price target based on 21x our 2018 EPS estimate. However, using 72% of our current $42 price target for Buy-rated KNX, this assumes a $30 price for SWFT. That said, our current $27 SWFT price target assumes a modest risk discount that the merger does not close as expected, although we view this as unlikely.
Report Link: **2017-4-26 SWFT Company Update**

Superior Industries, Inc. (NASDAQ: SUP; $22.13; Neutral; NA PT) Q1 Update: Momentum should begin to accelerate but near-term questions remain
In March 2017 the company announced the acquisition of UNIWHEELS AG, a transformative transaction that nearly doubles the size of the company, and positions Superior as a leader in North America and in Europe. The inclusion of UNIWHEELS, accelerating production of new business and easier comps should provide momentum in the second half of 2017 and into 2018. In the near-term, industry volume and pricing concerns along with execution risk with the UNIWHEELS transaction will likely limit the stock's performance. We rate SUP Neutral.
Report Link: **2017-4-26 SUP Company Update**

Chemicals

Air Products & Chemicals Inc. (NYSE: APD; $141.58; Buy; $155.00 PT) FQ2 First Look: EPS, sales beat helped by Jazan; guidance maintained
APD posted adjusted EPS of $1.43, up 5% YoY (adjusted for divestitures), ahead of the consensus $1.38 estimate and our $1.39 estimate. Sales of $1.98B increased 11% YoY, well ahead of the consensus $1.84B estimate and our $1.89B estimate. EBITDA of $652MM was ahead of the consensus/our $638MM/$631MM estimate on margin of 32.9%, down 300 bps YoY and below our 33.3% estimate. We note underlying volume growth was 2%, and EBITDA margin would have been 35.5% adjusted for business mix and cost pass-through. The Global Gases segment provided ~$30MM of EBITDA tailwind relative to our model from the Jazan project. APD maintained its FY17 EPS guidance range of $6.00-$6.25, noting it continues to hold a cautious outlook on macro activity. FQ3 EPS guidance of $1.55-$1.60 compares to our $1.62 estimate. We don't expect to make major changes to our estimates. We look forward to hearing more about global macro trends, and gaining a better understanding of how to model Jazan earnings.
Report Link: **2017-4-27 APD Flash Note**

Praxair Inc. (NYSE: PX; $125.11; Neutral; $128.00 PT) Q1 First Look: EPS, sales beat; guidance raised at low end
PX posted EPS of $1.37, up 8% YoY and ahead of the consensus/our $1.33 estimate. Sales of $2.73B were up 9% YoY (5% organic), ahead of the consensus $2.62B estimate and our $2.67B estimate. EBITDA of $887MM was ahead of the consensus $864MM estimate and our $868MM estimate. EBITDA margin of 32.5% was down 80 bps YoY due in part to higher cost pass-through, but was just ahead of our 32.3% estimate. PX upped its 2017 EPS guidance range from $5.45-$5.80 to $5.55-$5.80, and provided Q2 EPS guidance of $1.38-$1.43, below our $1.49 estimate. We look forward to hearing more about the sustainability of recovery in key markets including NA manufacturing and Brazil, and about the sources of the Europe volume strength. We don't expect to make significant changes to our model, though we will shift some earnings out of Q2 in line with company guidance.
Report Link: **2017-4-27 PX Flash Note**

SGS Calendar

SGS Meetings
05/11 **KMG Electronic Chemicals Facility Tour in Pueblo, CO**

SGS Non-Deal Roadshows
05/02 **CRS in Los Angeles**
05/03 **KNL in Boston**
05/09 **PES in Chicago**
05/10 **APD in Boston**
05/11 **BLDR in New York**
05/10-05/11 **ALG in San Francisco and Los Angeles**
05/09-05/11 **KALU in Denver and Texas**

SGS Presentations
04/27 **Richard Hastings, Macro Strategist – Southern Gas Association Management Conference – Topic: Natgas Cycles and the 2017 Outlook in Baltimore**
05/09 **Richard Hastings, Macro Strategist – RVCF – Topic: State of the Consumer 2017 in Arlington, VA**

SGS Analyst Roadshow
05/01-05/02 **Mike Kelly in the Midwest**
05/10 **Mike Harrison in Denver**
05/10-05/11 **Kevin Sterling in Austin, San Antonio and Dallas**

Click here to see our full SGS Calendar

Disclosures

We, Justin Cable, Stephane Aka, John Aschenbeck, Jordan Bender, Mark Brown, CFA, Ryan Cassil, Magnus Fyhr, Reuben Garner, CFA, Michael J. Harrison, CFA, Richard Hastings, CCE, Mike Kelly, CFA, Mark A. Levin, Walt Liptak, Nathan P. Martin, Matt McCall, CFA, Michael Shlisky, CFA, Matt Sorenson, Kevin Sterling, CFA, Josh Sullivan, Patrick Sun, Michael Ward, CFA, Garrett Williams, Rhem Wood and Willard Milby, CFA, hereby certify: (1) that all of the views expressed in this report accurately reflect our personal views about any and all of the subject securities or issuers; and (2) that no part of our compensation was, is, or will be, directly or indirectly, related to the specific

recommendations or views expressed in this report.

Seaport Global Securities received compensation for investment banking services from Seaspan Corporation, Columbus McKinnon Corporation, Commercial Vehicle Group Inc., Pioneer Energy Services, SRC Energy Inc. and XPO Logistics, Inc. and they have been a client of the firm in the past 12 months.

Seaport Global Securities expects to receive or intends to seek compensation for investment banking services from Bill Barrett Corp., Commercial Vehicle Group Inc., John Bean Technologies Corporation and Sanchez Energy, which are clients of the firm, in the next 3 months.Seaport Global Securities acted as Co-Manager for an offering of securities for Bill Barrett Corp., John Bean Technologies Corporation, Pioneer Energy Services, Sanchez Energy and SRC Energy Inc. in the past 12 months.Seaport Global Securities provided investment banking services for Seaspan Corporation, Bill Barrett Corp., Columbus McKinnon Corporation, Commercial Vehicle Group Inc., John Bean Technologies Corporation, Pioneer Energy Services, Sanchez Energy, SRC Energy Inc. and XPO Logistics, Inc. and they have been a client of the firm in the past 12 months.

Seaport Global Securities makes a market in shares of AGCO Corporation, Alamo Group, Inc., Anadarko Petroleum Corp., Bill Barrett Corp., Bonanza Creek Energy, Inc., Continental Resources, Inc., Columbus McKinnon Corporation, CNH Industrial N.V., Deere & Company, Ensco plc, Franklin Electric Co., Inc., Flowserve Corporation, TechnipFMC plc , Helmerich & Payne Inc., John Bean Technologies Corporation, Lincoln Electric Holdings, Inc., Modine Manufacturing Company, Marathon Oil Corporation, Navistar International Corporation, Noble Energy Inc., Nabors Industries Ltd., Newfield Exploration Co., National Oilwell Varco, Inc., Oasis Petroleum Inc., Oceaneering International, Inc., Oshkosh Corporation, PACCAR Inc., PDC Energy, Pentair plc, Patterson-UTI Energy Inc., SM Energy Company, Sanchez Energy, Spartan Motors Inc., SRC Energy Inc., TriMas Corp, Whiting Petroleum Corp., Wabash National Corp., Watsco Inc and Xylem Inc..

Seaport Global Securities has received compensation for non-investment banking services from Spartan Motors Inc. and it has been a client of the firm in the past 12 months.

Michael Ward, CFA, and/or a member of his/her household currently has a financial interest in Ford Motor Company in the form of a long position in the common stock.

As with all employees of Seaport Global Securities LLC, a portion of our analysts' compensation is paid from the total collection of revenues from all areas of the firm including but not limited to Investment Banking and Sales and Trading departments. In no instance are research analysts' compensation directly derived from Investment Banking revenues.

Please contact Seaport Global Securities LLC, for important disclosure information for covered companies. Contact the Director of Equity Research at (949) 274-8052 or write to Seaport Global Securities LLC, 600 Anton Boulevard, Suite 1700, Costa Mesa, CA 92626.

Clients should also refer to **https://sgsecurities.bluematrix.com/sellside/Disclosures.action** for price charts, as well as specific disclosures for covered companies.

Ratings Distribution

	Research Coverage		Investment Banking Clients*		
Rating	Count	% of Total	Count	% of Total	% of Rating Category
Buy	212	57.9%	24	72.7%	11.3%
Hold/Neutral/NA	133	36.3%	9	27.3%	6.8%
Sell(Sell or Reduce)	21	5.7%	0	0%	0%
Total	366	100%	33	100%	9%

*Investment banking clients are companies which Seaport Global Securities LLC provided investment banking services to in the last 12 months.

Note: Ratings Distribution as of March 31, 2017

Explanation of Ratings

Seaport Global Securities analyst ratings include (effective Feb. 1, 2017):

Buy - The investment outlook and risk/reward over the following 12 months are favorable on an absolute basis and relative to the peer group.

Neutral - The investment outlook and risk/reward over the following 12 months are neutral on an absolute basis and relative to the peer group.

Sell - The investment outlook and risk/reward over the following 12 months are unfavorable on an absolute basis and relative to the peer group.

NA - A rating is not assigned.

Prior to Feb 1., 2017, Seaport Global Securities analyst ratings included:

Buy - The investment outlook and risk/reward over the following 12 months are very favorable on an absolute basis and relative to the peer group.

Speculative Buy - The investment outlook over the following 12 months is very favorable on an absolute basis and relative to the peer group, however, there is higher than average risk associated with the investment that could result in material loss.

Accumulate - The investment outlook and risk/reward over the following 12 months are favorable on an absolute basis and relative to the peer group.

Neutral - The investment outlook and risk/reward over the following 12 months are neutral on an absolute basis and relative to the peer group.

Reduce - The investment outlook and risk/reward over the following 12 months are unfavorable on an absolute basis and relative to the peer group.

Sell - The investment outlook and risk/reward over the following 12 months are very unfavorable on an absolute basis and relative to the peer group.

NA - A rating is not assigned.

This material has been prepared by Seaport Global Securities LLC, a U.S. registered broker-dealer, member FINRA and SIPC, employing appropriate expertise, and in the belief that it is fair and not misleading. Seaport Global is the global brand name for Seaport Global Securities LLC ("SPGS") and its affiliates worldwide. Information, opinions or recommendations contained in the reports and updates are submitted solely for advisory and information purposes. The information upon which this material is based was obtained from sources believed to be reliable, but has not been independently verified. Therefore, we cannot guarantee its accuracy. Additional and supporting information is available upon request. This is neither an offer nor solicitation of an offer to buy or sell any security or investment. Any opinions or estimates constitute our best judgment as of this date, and are subject to change without notice. Not all products and services are available outside of the US or in all US states.

For Canadian Investors:

Seaport Global Securities LLC, is not registered in Canada, but relies on the International Dealer Exemption in each province. This report was not prepared in accordance with Canadian research disclosure requirements. The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities must be conducted through a dealer registered in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence.

For UK and European Investors:

MARKETING COMMUNICATION

The Seaport Group Europe LLP ("SGE") and Sea Port Group Securities (Europe) LLP ("SPGSE") are authorized and regulated by the Financial Conduct Authority. Due to their size and structure, their analysts may represent the interests of the firm or of companies referred to in its research. As a result, SGE or SPGSE does not hold its research out as being impartial. This research is non-independent and is classified as a Marketing Communication under the FCA's rule COBS 12.3.2R. As such it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and it is not subject to the prohibition on dealing ahead of the dissemination of investment research in COBS 12.2.5R. However, SGE and SPGSE have adopted internal procedures which prohibit employees from dealing ahead of the publication of non-independent research, except for legitimate market making and fulfilling clients' unsolicited orders.

Analysts may forward a draft copy of the non-independent research, prior to publication, to the subject company in order to verify facts. Where such verification is sought, the analyst must remove any rating or investment summary from the non-independent research prior to forwarding it to the subject company. Any subsequent amendments to the non-independent research are to correct factual inaccuracies only. Any matters of judgment are the author's own and our analysts will not amend the non-independent research on the basis of an issuer's contrary view.

Price targets or Projections

Price targets or projections, if discussed, reflect in part the analyst's estimates for the company's earnings. The achievement of any price target or projection may be impeded by general market and macroeconomic trends, and by other risks related to the company or the market, and may not occur if the company's earnings fall short of estimate.

DISCLAIMERS

This material is: (i) for your private information, and we are not soliciting any action based upon it; (ii) not to be construed as an offer to sell or a solicitation of an offer to buy any investments or other related financial instruments in any jurisdiction where such offer or solicitation would be illegal; and (iii) is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such.

Opinions expressed are current opinions as of the original publication date appearing on this material only and the information, including the opinions contained herein, are subject to change without notice. Members of Seaport Global may from time to time perform investment banking or other services (including acting as advisor, manager or lender) for, or solicit investment banking or other business from, companies mentioned herein. Further, members of Seaport Global, and / or its officers, directors and employees, may, from time to time, have long or short positions in, and buy or sell, the investments, securities, derivatives (including options) or other related financial instruments thereof, of companies mentioned herein, or related investments, securities, derivatives or other related financial instruments. In addition, members of Seaport Global may act as a market maker and principal, willing to buy and sell certain of the investments, securities or other related financial instruments of companies mentioned herein. Further, members of Seaport Global may buy and sell certain of the investments, securities or other related financial instruments of companies mentioned herein, as agent for its clients.

Investors should consider this report as only a single factor in making their investment decision and, as such, the report should not be viewed as identifying or suggesting all risks, direct or indirect, that may be associated with any investment decision. SGE, SPGSE and other non-US members of Seaport Global, their officers, directors and employees may, to the extent it relates to non-US issuers and is permitted by applicable law, have acted upon or used this material immediately following, its publication.

The securities described herein may not have been registered under the U.S. Securities Act of 1933 ("ACT") , and, in such case, may not be offered or sold in the United States or to U.S. persons unless they have been registered under such Act, or except in compliance with an exemption from the registration requirements of such Act.

Unless governing law permits otherwise, you must contact a Seaport Global entity in your home jurisdiction if you want to use our services in effecting a transaction in the investments, securities or other related financial instruments mentioned in this material.

This publication has been approved for distribution in the United Kingdom by The Seaport Group Europe LLP and Sea Port Group Securities (Europe) LLP, which are authorized and regulated by the Financial Conduct Authority (FCA). It is intended only for investors who are professional clients and eligible counterparties as defined by the FCA, and may not, therefore, be redistributed to other classes of investors.

The Seaport Group Europe LLP, Sea Port Group Securities (Europe) LLP and other Seaport Global entities manage conflicts identified through the following: their Chinese Wall, confidentiality and conflicts of interest policies, maintenance of a Restricted List and a Watch List, personal account dealing rules, policies and procedures for managing conflicts of interest arising from the allocation and pricing of investments, securities or other related financial instruments and disclosure to clients via client documentation.

Seaport Global Securities LLC
Equity Sales & Trading Toll-Free: (855) 447-3100
Research: (949) 274-8052
www.seaportglobal.com

The Seaport Global Securities (SGS) Equity Research Team specializes in Oil & Gas Exploration & Production, Oilfield Services & Equipment, Energy Infrastructure/MLPs, Refining & Marketing, Coal, Natural Gas Utilities, Diversified Industrials, Agriculture & Turf Equipment, Construction & Materials Handling Equipment, Engineering & Construction, Flow Control, Engineered Materials, Aerospace & Defense, Airfreight & Logistics, Auto & Auto Parts, Surface Transportation, Marine Transportation, Railroads, Specialty Chemicals, Coatings, Building Products, and Commercial & Home Furnishings.

www.bluematrix.com